



THE COMMITTEE ON ENERGY AND COMMERCE

INTERNAL MEMORANDUM

April 13, 2011

TO: Members, Subcommittee on Energy and Power

FROM: Subcommittee on Energy and Power Staff

RE: Hearing on "The American Energy Initiative"

On Friday, April 15, 2011, at 9:00 a.m. in room 2123 of the Rayburn House Office Building, the Subcommittee on Energy and Power will hold the fifth of a multi-day hearing entitled "The American Energy Initiative." This hearing will focus on recent EPA rulemakings relating to utilities, cement manufacturing plants, and boilers. Witnesses are expected to testify on the impacts and the timelines for implementing these rules, in the context of the economy and other recent EPA rulemakings.

I. WITNESSES

The invited witnesses are:

Mr. Tom Fanning
Chairman, President and Chief Executive Officer
Southern Company

Mr. Anthony F. Earley, Jr.
Executive Chairman
DTE Energy

Mr. Aris Papadopoulos
President and CEO
Titan America LLC

Mr. Michael J. Bradley
Executive Director
The Clean Energy Group

Mr. Dirk Krouskop
VP, Safety, Health & Environment
MeadWestvaco Corporation

Mr. Paul Kempf
Director of Utilities
University of Notre Dame

Mr. John Walke
Senior Attorney and Clean Air Director
Natural Resources Defense Council

II. BACKGROUND

EPA has recently proposed or finalized new maximum achievable control technology (MACT) emissions and other standards for power plants, cement facilities, and boilers and incinerators. These rules are summarized briefly below.

A. Utility Rule

On March 16, 2011, EPA proposed standards for hazardous air pollutants under section 112 of the CAA for new and existing coal- and oil-fired electric utility steam generating units (EGUs), and new source performance standards for fossil fuel-fired EGUs under the CAA.¹ Pursuant to a consent decree, EPA is required to issue a final rule under Section 112 for EGUs by November 16, 2011.

B. Cement Rules

On August 9, 2010, EPA announced hazardous air pollutants standards and new source performance standards under sections 112 and 111 of the CAA for the Portland Cement Manufacturing Industry and Portland Cement Plants.² The rules were published in the Federal Register on September 9, 2010.

C. Boiler Rules

On February 21, 2011, EPA announced two final rules establishing new hazardous air pollutants standards under section 112 of the Clean Air Act (CAA) for large and small boilers (collectively “Boiler Rules”), a third rule establishing new standards of performance and emissions guidelines under Section 129 of the CAA for Commercial and Industrial Solid Waste Incineration Units (CISWI Rule), and a fourth related rule under the Resource Conservation and Recovery Act that defines non-hazardous secondary materials that are solid wastes (Solid Waste Rule) for purposes of determining whether combustion emissions are subject to sections 112 or 129 CAA requirements.³ The rules were published in the Federal Register on March 21, 2011.

¹ See ["National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-fired Electric Utility Steam Generating Units and Standards of Performance for Fossil-Fuel-Fired Electric Utility, Industrial-Commercial-Institutional, and Small Industrial-Commercial-Institutional Steam Generating Units"](#).

² See ["National Emission Standards for Hazardous Air Pollutants from the Portland Cement Manufacturing Industry and Standards of Performance for Portland Cement Plants"](#).

³ See ["National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters"](#) (Boiler MACT Rule) and ["National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers"](#) (collectively “Boiler Rules”); ["Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Commercial and Industrial Solid Waste Incineration Units"](#) (CISWI Rule); and ["Identification of Non-Hazardous Secondary Materials That Are Solid Waste"](#) (Solid Waste Rule).

The rules were developed under a court-ordered timeline and prior to announcing the above four rules EPA had sought a 15-month extension from a federal district court to re-propose the Boiler and CISWI Rules, but that request was denied. On February 21, 2011, EPA issued a notice stating the agency was initiating a reconsideration process for certain aspects of the Boiler and CISWI rules. See [Notice of Reconsideration](#).

III. ISSUES

The following issues will be examined at the hearing:

- the current schedules for issuance and implementation of the rules;
- the costs and feasibility of implementing the rules; and
- the potential impacts of the rules on jobs, the economy, and energy reliability.

IV. STAFF CONTACT

If you have any questions regarding this hearing, please contact Mary Neumayr at 5-2927.